Previous references.
B. 37-09 Sol-4-B. March

1911
(Banking)

File No. 15
Serial Nos. 1-3

Later references.
Bank 39-11 Sec 1-3 B Nov 12
7 may 13 Sec 1 Bank 52-12

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-3

Part B. for June 12

SUBJECT.

Modification of rule 10 of the Impore State Life Insurance Rules.

From the Secretary Insurance Committee
No 994 Dy 21.9.11. Submits for approval of Govt a draft amended Rule 10 relating to Surrender Value of policies.

2. To the Secretary to the Insurance Committee.
No 5201 Dy 21. 6. 12.

Approves the following amendment and directs publication of a Notification in the Gazette.

G. R. S. 58 (c) When an insured official ceases to be in the Service of Govt before completing the age of 55 years, he may elect within 12 months any of the following Courses:—

I to continue to pay premium due this policy till it matures.

II to surrender the policy and receive in lieu of it a fully paid up policy payable at 55 or at death if previous for a reduced bonus as the amount of premium paid bears to the amount payable, if the insured lives till he completes his 55th year.

III. to surrender policy receiving a surrender Value of 60% of the premium paid by him without interest

An insured official who has been dismissed from the service & ordered by Govt — to be included in the list of officials not eligible for reentertainment in Govt Service, shall not be eligible for the alternative, ie, to continue to pay the premium, but must choose either II or III.

An insured person whose communication intimating election of one of the three alternatives does not reach the Secretary within one year from the date with effect from which he ceases to be in service will be held to be entitled only to the last alternative and the Surrender Value will be paid to him or his heirs on demand — according to the rules at any time.

3. No FL 5202 dt 1.6.12.
To The compiler, Mysore Gazette
Notifies the above Amendment.

G.R.S. 11] 1911-12.

GENERAL AND REVENUE SECRETARIAT.

(Banking

NOTES.

File No. 15

FILE HEADING.

Modification of rule 10 of the Bayana State life Insurance Rules

From

The Secretary Insurance committee

No. 994 Dated 21. 9. 11 Received 22. 9. 11

Diary No. 1107	Enclos. 1 fol. Spare Copies.	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Submits for approval of Govt a draft amended Rule to relating to surrender Value of policies

NOTES AND ORDERS.

The present amendment mainly consists in adding another mode of payment of Surrender Value when an insured ceases to be in service. He has at present 2

NOTES—First Sheet.

GPB—30,000—12-8-11

Serial No.

2 ways open to him :-
1. to continue payment of premium due on his policy till it matures.
or 2) to surrender his policy & take 60 p.c of the premium paid by him without interest
Now a third & additional course is proposed to be opened to the insured. which is —
' to surrender his policy & receive in lieu of it a fully paid up policy payable Rs 53 on death if previous for a reduced bonus which will bear the same proportion to the full bonus as the amount of premium paid bears to the amount payable if the insured lives till he completes his 53-th year.
The old rule in case of non election of the first 2 courses of treating the insured to have discontinued paying premiums & collection of treating the balance of premia yet remaining due

GPB—50,00 - - 12-8-10

G. R. S. 12]
General and Revenue Secretariat.

B File No. 15 of 19 11

Serial No.

as a debt against the policy to be deducted from the bonus with Compound interest is now proposed to be done away with - & instead - non exercise of any of the 3 courses now open within 12 months will result in his being entitled to 60 p.c. of the premia paid without interest.

3 The old course of treating the balance of premia as a debt to be recouped with Compound interest from the bonus when it becomes payable had an advantage in the case of early death of the insured in that he was entitled to the whole of the bonus minus this debt. Thus it had (the element of risk) the advantages of insurance

4 The proportion of bonus now to be declared has not been calculated in any particular instance to see exactly as to how it will compare with the 60 p.c. of the premia

Note—Contn. sheet.

GPB—50,00 1—12-8-10

G. R. S. 12]
General and Revenue Secretariat.

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to which an insured becomes automatically ~~~~ entitled on the date he ceases to be in service. It ~~~~ is not demonstrated anywhere how the present course is an advantage over the old state of things — beyond simplicity in working from the papers under circn the members of the committee do not seem to have been consulted on the addition of the last para — but perhaps it was a necessary corollary to the amendment agreed to by the Committee.

5 It has to be noted that the President from whom the amendment originated proposed the payment of the present value of the policy if claimed. which may be or may not be kept for in certain cases decidedly more than 60 p.c. of premia paid up. This was a clear advantage to the insured

NOTE—Contn. sheet.

GPB—50,000—12-6-10

Serial No.

Q

Dates in 1850-10

giving him a variety of choice. This was not seriously taken into account by the committee & the Secy was minuted against & apparently was being unfavourably to the Supt

Submitted for orders.

Submitted 14/10

6 The proposal of the Committee is practically that instead of the present system of granting the policy like a fully paid up policy on application for bonus or as it is called to make an Endowment policy in the language of life insurance "Manufacturable". This will save the trouble of electing within 12 months to continue to pay or take the surrender amt. The heaviness of deferred payments or debt recoverable with interest when it falls due for payt. Besides while freeing the man from future payts yet assuring him of some bonus to himself & his heirs will 55 yrs or something to his family after death.

7 But it must clearly be borne in mind that if dismissed the Service these shd have any concession shown to them.

NOTE—Contn. sheet.

G. R. S. 12]
General and Revenue Secretariat.

B File No. 15 of 1911

Serial No.

In this case it may be ruled that they are entitled only to the surrender value when they claim it irrespective of any time limit. Nothing more. To make it also a non-forfeitable endowment bonus will place him in a very good position as the policy is unattachable whether a man punished for his fault should be benefitted is a matter for consideration.

I would therefore submit the following alternatives for consideration.

Paras numbered here in pencil.

Para 1 with clauses I, II & III may be approved.

Para 2. In the words "shall not be eligible for the first alternative" substitute "shall not be eligible to enter the 1st or 2nd alternative"

Para 3. May be approved. This para takes away by giving the nine limit the benefit of clause II para I. It may be held that no intimation is received within 12 months the policy will be treated as under clause II, unless the deemed date expires first. There does not seem to be in giving him the surrender value, while if treating it under clause II para I, there would be a distinct advantage conferred on him.

To give cash & to give a paid up policy is much the same. I cannot say which is better. WS 18/10

To take a paid up policy is to some extent take a chance & a man should apply for it & take it. If he does not move he should get what does not involve any chance viz. a surrender value.

WS 18/10

Hosea 19. The Committee proposals may be approved 14.10.11

WS 18/10

NOTE—Contn. sheet

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GPB—50,00 - 12-6-10

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G. R. S. 12]
General and Revenue Secretariat.

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Serial No.

10

The Committee's Proposal may be approved —

[There is some force in what the Asst Secy has noted regarding the missed opportunity — But I am inclined to think that in a business transaction like Life Insurance we need not much concern ourselves with the reasons why he has ceased to be in the service of Govt — Let that matter rest with the departmental heads —

Sd/ G Mayor

17/ Dec '12

2 Drafts submd.

Sd/ 4.5 Dec 12
16/5

Jesudy

Re
18/5/12

GN

11 20/5/12

Issued 21/5

2 To the Secretary to the Ins: Committee,

No. 5201 of 1.6.1912

Approves the following Amendment and directs publication of a Notn: in the Gazette: —

NOTE—Contn. sheet.

GPB—50,00 ·—12-8-10

G. R. S. 12]
General and Revenue Secretariat.

File No. of 19

Serial No.

" When an insured Official ceases to be in service of Govt before completing the age of 55 years he may elect within 12 months any of the following courses: —

I to continue to pay the premium due on his policy till it matures.

II to surrender the policy and receive in lieu of it a fully paid up policy payable at 55 or death, if previous, for a reduced bonus as the amount of premium paid bears to the amount payable if the insured lives till he completes his 55th year.

III to surrender policy receiving a surrender value of 60 p.c. of the premium paid by him without interest.

An insured Official who has been dismissed from the service and ordered by Govt to be included in the list of Officials not eligible for re-entertainment in Govt service, shall not be eligible for the 1st alternative, ie, to continue to pay the premium but must choose either II or III.

An insured person whose communication intimating election of one of the 3 alternatives does not reach the Secretary within one year from the date with effect from which he ceases to be in service will be held to be entitled only to the last alternative and the surrender value will be paid to him or his heirs on demand according to the rules at any time.

3 No. 7L. 5202 of 1.6.1912.

To the Compiler, Mysore Gazette.

Notifies the above amendment

Govt Pp

Govt Pp not available

NOTE—Contn. sheet.

GPB—50,00 - 12-8-10

B

Office of the Secretary,
Mysore State Life Insurance Committee,
Bangalore, dated 5th September '11

No: 994/1file

From

The Secretary,
Insurance Committee,
B a n g a l o r e.

To

J. S. Chakravarti Esq., M.A., F.R.A.S., &c.,
Financial Secretary to the Government of His
Highness the Maharaja of Mysore, B a n g a l o r e

Sir,

I have the honour to forward herewith Memorandum dated the 18th July 1911, with the opinion of the President and Members of the Committee recorded thereon and a draft amended Rule 10, as ordered therein for orders of Government.

The Memorandum may be kindly returned when no longer required.

I have the honour to be,
Sir,
Your most obedient servant,

Joint: Secretary,
Insurance Committee.

Enclosure to SL 1

DRAFT AMENDED RULE 10.

When an insured official ceases to be in the service of the Government before completing the age of 55 years, he may elect within 12 months any of the following courses.

1. to continue to pay the premium due on his policy till it matures:

II to surrender ~~his~~ the policy and receive in lieu of it a fully paid up policy payable at 55 or death if previous for a reduced bonus which will bear the same proportion to the full bonus as the amount of premium paid bears to the amount payable if the insured lives till he completes his fifty fifth year.

III to surrender the policy receiving a surrender value of 60 per cent of the premium paid by him without interest.

2 An insured official who has been dismissed from the service and ordered by Government to be included in the list of officials not eligible for re-entertainment in Government Service, shall not be eligible for the 1st alternative i.e. to continue to pay the premium but must choose either II or III

3 An insured person whose communication intimating election of one of the three alternatives does not reach the Secretary within one year from the date with effect from which he ceases to be in Service will be held to be entitled only to the last alternative and the surrender value will be paid to him or his heirs on demand according to rules at any time.

G.R.S. 28. 3X 32 215 62

Two Drafts

File No. 15

Serial No. 2

Diary No. of letter replied to 1107

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT

Bangalore

, the 19

Date of issue 1st June 12

Signed by W Nyderabad

READ—

Letter No. 9945 5th Septr 1911 from the Secy. Insurance Committee forwarding for orders Memorandum dt 18th July 1911 with the opinion of the President ORDER THEREON.—No. & the committee thereon & a draft amendation of rule 10 providing for the grant of a work forfeitable proportionally paid up policy in addition to the other courses open to an insured official who ceases

over

SUBJECT.

GPE—5,000—7-5-09

To be in Service before ...
completing The age of 55
years ...

order thereon No 76 5201 of 1st June 1917

The amendment suggested
is approved and a notice will accordingly be published in the Dept Gazette.
The rule as amended
will read as follows
When an insured official
to be in the Service of the
Govt before completing
the age of 53 years, he may
elect within 12 months
any of the following
Courses.

I. to continue to pay the
premium due on his
policy till it matures.
II. to surrender the
policy & receive in lieu
of it a fully paid up
policy payable at 53
or death if previous, for
a reduced bonus which
will bear the same proportion

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

to the full terms as the amount of premium paid bears to the amount payable if the insured lives till he completes his fifty fifth year

III. to surrender the policy receiving a surrender value of 60 p.c of the premium paid by him without interest

An insured official who has been dismissed from the service and ordered by Govt to be included in the list of officials not eligible for re-entertainment in Govt service, shall not be eligible for the 1st alternative i.e. to continue to pay the premium but must choose either II or III

GPB—10,000—22-2-11

6

An insured person whose Communication indicating election of one of the three alternatives does not reach the Secretary within one year from the date with effect from which he ceases to be in Service, will be held to be entitled only to the last alternative & the Surrender Value will be paid to him or his heirs on demand according to rules at any time.

He maybe informed by DS

DS 20/5

H Secretary

DS 18/5

To the Secy State Life Insurance Committee

2 drafts

G.R.S. 26]

File No. 15

Serial No. 8

Diary No. of letter replied to ____

Z 642

In 2e 5202
dy 1st June/12
No. of Notification

General and Revenue Secretariat

(B)

the 19 .

Date of issue 1st June/12

Signed by W J S Chakravarti

The Govt of H.H. the Maharaja of Mysore are pleased to direct the amendment of rule 10 of the State Life Insurance Rules as follows.

... when an insured official ceases to be in the Service of ~~the~~ Govt before completing the age of 55 years, he may elect within 12 months any of the following

over.

SUBJECT.

Cond Rule

following
Courses.

I. to continue to pay the premium due on his policy till it matures.

II. to surrender the policy & receive in lieu of it a fully paid up policy payable at 53 or death if previous, for a reduced bonus which will bear the same proportion to the full bonus as the amount of premium paid hereto to the amount which would be payable if the insured lived till he completes his fifty-fifth year

III. to surrender the policy receiving the surrender Value

List of enclosures,

Copied by

Examined by

GPD—20,000—25-9-10

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

of 60 per cent of the premium paid by him without interest

An insured official who has been dismissed from the service and whose name has been ordered by Govt to be included in the list of officials not eligible for re-entertainment in Govt service shall not be eligible for the ~~1st~~ alternative i.e. to continue to pay the premium, but must choose either II or III

An insured person whose communication intimating election of one of the three alternatives does not reach the Insurance Office within one year from

GPB—10,000—22-2-11

the date with effect
from which he ceases
to be in the Service
will be held to be
entitled only to the
last alternative
and the surrender
Value will be paid
to him or his heirs
on demand accordg
to rules at any time

H Secretary

To the Computer
Mysore Gazette with a request
that 50 spare copies may be sent to the Secy,
M.S Life Ins.ce Comp.ny